



City of Seattle
Office of Housing

TO: Councilmember Nick Licata, Chair, Housing, Human Service, Health, & Culture Committee
Councilmember Sally Bagshaw
Councilmember Sally Clark
Councilmember Tom Rasmussen

FROM: Amy Gray

DATE: May 20, 2011

SUBJECT: Multifamily Property Tax Exemption Program Application: 4301 Stone Apartments.

Legislation authorizing the Director of the Office of Housing to enter into a contract, outlining the terms and conditions for eligibility for a tax exemption, is scheduled to be considered by your Committee on May 25, 2011. The project is located at 4301 Stone Way North in Wallingford.

A table is attached that provides more detail on the project. Below is a brief summary of the project, including a location map, for your review.

4301 Stone - Wallingford	
Developer / representative:	R.D. Merrill at Stone Way II, LLC (Billy Pettit developer)
Residential target area:	Wallingford
Total housing units:	93 rental units: 48 studios, 42 one-bedroom units, and 3 two-bedroom units
Number of affordable units:	19 rental units are affordable: 10 studios and 9 one-bedroom units.
Affordability:	Per MFTE program requirements, a minimum of twenty percent (19) of the units are affordable at 80% and 90% of median income.
Site demolition:	There is demolition of an existing occupied building. Per code, the developer will replace 1 unit that received tenant relocation assistance payments at another location owned by the developer (201 NE 40 th Street). This unit will be income and rent restricted to a household at or below 50% AMI for the period of tax exemption.
Estimated City portion of tax shift:	\$0.21 on average assessed value home for the first year.

Location Map 4301 Stone Way N:



Sequence of Events:

- City Council approves resolution authorizing OH to enter into MFTE Agreement;
- OH and owner sign and record MFTE Agreement;
- OH issues Conditional Certificate of Tax Exemption to owner;
- Once construction is complete within three years, the owner submits an application for Final Tax Exemption;
- OH reviews application for final tax exemption and issues Final Certificate of Tax Exemption;
- Upon issuance of Final Certificate of Tax Exemption, OH forwards documentation to the King County Assessor's office.

cc: Sara Belz, Council Central Staff
Amanda Allen, City Budget Office